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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/891,343	06/26/2001	Wendy Ann Belluomini	AUS920010349US1	2241
44994	7590	10/07/2005	EXAMINER	
IBM CORPORATION (DWL) C/O LALLY & LALLY, L.L.P. P. O. BOX 684749 AUSTIN, TX 78768-4749			BROOKS, MATTHEW L	
		ART UNIT		PAPER NUMBER
				3629

DATE MAILED: 10/07/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary	Application No.	Applicant(s)
	09/891,343	BELLUOMINI ET AL.
	Examiner	Art Unit
	Matthew L. Brooks	3629

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) Responsive to communication(s) filed on 21 September 2005.
- 2a) This action is FINAL. 2b) This action is non-final.
- 3) Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) Claim(s) 1-22 is/are pending in the application.
 - 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) Claim(s) _____ is/are allowed.
- 6) Claim(s) 1-22 is/are rejected.
- 7) Claim(s) _____ is/are objected to.
- 8) Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) The specification is objected to by the Examiner.
- 10) The drawing(s) filed on _____ is/are: a) accepted or b) objected to by the Examiner.
 Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
 Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
 - a) All b) Some * c) None of:
 1. Certified copies of the priority documents have been received.
 2. Certified copies of the priority documents have been received in Application No. _____.
 3. Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413) |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____ |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____ | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION***Claim Objections***

1. **Claims 9 and 10** are objected to under 37 CFR 1.75(c), as being of improper dependent form for failing to further limit the subject matter of a previous claim. Applicant is required to cancel the claim(s), or amend the claim(s) to place the claim(s) in proper dependent form, or rewrite the claim(s) in independent form. Applicant is already "compensating".
2. **Claims 12 and 16** are objected to because of the following informalities: Applicant has stated "...funding agent of the innovator." Examiner feels that Applicant intended "innovation". However for purposes of examination below both terms were considered. Appropriate correction is required.

Claim Rejections - 35 USC § 112 1st

3. The following is a quotation of the first paragraph of 35 U.S.C. 112:

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.
4. Claims 1-10, 13, and 17-22 are rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the enablement requirement. The claim(s) contains subject matter which was not described in the specification in such a way as to enable one skilled in the art to which it pertains, or with which it is most nearly connected, to make and/or use the invention. Examiner is uncertain how Applicant intends to "...determine a value..." when the consumer is internal to the

organization as laid out in Applicant's specification "some valuation method" (pg 7, 18-20).

Claim Rejections - 35 USC § 101

5. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 1-22 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

The basis of this rejection is set forth in a two-prong test of:

- (1) whether the invention is within the technological arts; and
- (2) whether the invention produces a useful, concrete, and tangible result.

For a claimed invention to be statutory, the claimed invention must be within the **technological arts**. Mere ideas in the abstract (i.e., abstract idea, law of nature, natural phenomena) that do not apply, involve, use, or advance the technological arts fail to promote the "progress of science and the useful arts" (i.e., the physical sciences as opposed to social sciences, for example) and therefore are found to be non-statutory subject matter. For a process claim to pass muster, the recited process must somehow apply, involve, use, or advance the technological arts.

Mere intended or nominal use of a component, albeit within the technological arts, does not confer statutory subject matter to an otherwise abstract idea if the component does not apply, involve, use, or advance the underlying process.

In the present case, the Applicants steps can easily be accomplished without the use of a computer and Applicant is merely obtaining information concerning the patent information of a company and the patent portfolio data thereof. Then making calculation in ones head or on a piece of paper then reporting the findings of the above process. All of which may be done without the use of a computer.

Appropriate action is required.

The present invention also fails the “useful, concrete, tangible” result test. For an invention to be “useful” it must satisfy the utility requirement of section 101. The PTO’s official interpretation of the utility requirement provides that the utility of an invention has to be (i) specific, (ii) substantial and (iii) credible. MPEP 2107. The claim must be for a practical application that produces a useful result and the Applicant should specifically recite in the claim the practical application. A claim that can be read so broadly as to include statutory and nonstatutory subject matter must be amended to limit the claim to a practical application. In other words, if the specification discloses a practical application of an abstract idea, but the claim is broader than the disclosure such that it recites an abstraction, then the claim must be rejected. In the present case Applicant mentions in the specification that the value “...could be *price paid by consumer or some valuation methodology...*” Some valuation methodology is an abstract idea.

Furthermore even if Applicant were to chose V=price paid by and outside consumer the reward percentage is still left to that of an “Arbiter”, which fails the

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concreteness requirement of section 101 because it is still unpredictable in that it is left in the hands of an arbiter to subjectively decide.

Additionally special attention is given with respect to **claims 17-22** in which the Applicant is apparently claiming humans in system. MPEP 2105 provides:

If the broadest reasonable interpretation of the claimed invention as a whole encompasses a human being, then a rejection under 35 U.S.C. 101 must be made indicating that the claimed invention is directed to nonstatutory subject matter. Furthermore, the claimed invention must be examined with regard to all issues pertinent to patentability, and any applicable rejections under 35 U.S.C. 102, 103, or 112 must also be made.

For instance Applicant claims the words "arbiter" which Merriam's On-Line Dictionary defines as:

- 1 : a person with power to decide a dispute : JUDGE
- 2 : a person or agency having the power of deciding

This also lends to the argument that the value determined and the percentages thereof are not going to be concrete because the decisions are left in the hands of a subjective human being.

Claim Rejections - 35 USC § 103

6. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

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7. The factual inquiries set forth in *Graham v. John Deere Co.*, 383 U.S. 1, 148 USPQ 459 (1966), that are applied for establishing a background for determining obviousness under 35 U.S.C. 103(a) are summarized as follows:

1. Determining the scope and contents of the prior art.
2. Ascertaining the differences between the prior art and the claims at issue.
3. Resolving the level of ordinary skill in the pertinent art.
4. Considering objective evidence present in the application indicating obviousness or nonobviousness.

8. Claims 1-22 are rejected under 35 U.S.C. 103(a) as being unpatentable over "Accellerate Your Product-to-Market Process"; Larson, Mellisa; Quality, v 36, n 10, p 38-40 (Accelerate).

Accelerate teaches that the reuse of the design of components was well known in the manufacture of goods. Any manufacturer would be motivated to do this because it speeds up design process and cuts costs. Further more Accelerate teaches that manufacturers are **encouraging** designers to reuse components.

Accelerate does not teach exactly how companies are currently going about encouraging employees to reuse the design of components.

The examiner takes Official Notice that one would reward (via money or man power) an employee, purchaser, funding agent of project to meet a particular goal in a business. Evidence of this is provided by the following example of encouraging an employee to produce more product. If an employer wanted a higher volume of product produced, encouraging employees by compensation of percentage more produced would be obvious in that it would

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incentivize employees. It would have been obvious to one of ordinary skill in the art at the time of the invention to use a compensation system in the business goal of Accelerate because monetary compensation would encourage the employees to meet re-use design component goals. The use and advantages of compensation are well known.

Furthermore, in determining the obviousness of applying what is generally known in the design industry to what is known in the world business one must determine the level of ordinary skill (*Dann v. Johnston*, 425 U.S. 219, 189 USPQ 257 (1976)). The reuse of design components via “boiler plate”, *to one ordinarily skilled in the art, for some time now is recognized as a vehicle which speeds up production and cuts costs*. Also, the manufacture/business industry has utilized reward/compensation systems/methods for years to motivate employees to meet a particular goal in a business. Therefore, it would have been obvious to one of ordinary skill in the art at the time of the invention to have utilized rewarding employees to meet the particular goal of a business (that of reuse of a components design) as that taught in the Accelerate for the purpose of encouraging employees. The desirability to do this is clearly to motivate the employee monetarily to comply/and/or/ meet the business goal.

9. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

A. “AT&T uses CAD tools to streamline cellular design”; Valigra, Lori; InfoWorld v16n38; PP: 106; Sep 19, 1994 (attached herein). Which shows “bi-

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directional flow" of information; Market driven design reuse; Boiler plate design component reuse; all upon electrical devices.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Matthew L. Brooks whose telephone number is (571) 272-8112. The examiner can normally be reached on Monday - Friday; 8 AM - 5 PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, John Weiss can be reached on (571) 272-8112. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

MLB
9/30/2005


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